

# Utah State Building Board



## MEETING

May 1, 2002

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## **MINUTES**

### **Utah State Building Board Members in attendance:**

Keith Stepan, Chair  
Larry Jardine  
Haze Hunter  
Kerry Casaday  
Kay Calvert

### **DFCM and Guests in attendance:**

Joseph A. Jenkins	Division of Facilities Construction & Management
Kenneth Nye	Division of Facilities Construction & Management
Kent Beers	Division of Facilities Construction & Management
Shannon Lofgreen	Division of Facilities Construction & Management
Leslee Chavez	Division of Facilities Construction & Management
Jeff Reddoor	Division of Facilities Construction & Management
Dave Williams	Division of Facilities Construction & Management
Alan Bachman	Attorney General's Office/DFCM
Camille Anthony	Department of Administrative Services
Randa Bezzant	Governor's Office of Planning and Budget
Kevin Walthers	Legislative Fiscal Analyst Office
Donna Dahl	State Fairpark
Richard N. Jones	UCAT/UBATC
Chad Campbell	UCAT/Bridgerland ATC
Doug Wright	Department of Corrections
Bryan Wilmot	Utah Correctional Industries
Bob Askerlund	Salt Lake Community College
Ken Adlam	AIA Utah
Jackie McGill	Spectrum + Bennion
Michael Rudd	Spectrum + Bennion
Marlo Wilcox	Workforce Services
Greg Stauffer	Southern Utah University
Gary Arnoldson	Snow College
Raymond Duda	Utah National Guard

John Huish	University of Utah
Sarah Whitney	Capitol Preservation Board
RoLynne Christensen	VCBO Architecture
Michael Wollenzien	Utah State Office of Rehabilitation
Kim Wixon	Department of Health
Bart Hopkin	Department of Human Services
Lynn Samsel	Department of Human Services
Representative Loraine Pace	Utah State Legislature
Gordon Bissegger	State Courts
Bill Juszczak	UDOT
Mike Perez	Weber State University

On Wednesday, May 1, 2002, a regularly scheduled Utah State Building Board meeting was held in the Utah State Capitol, Committee Room 129, Salt Lake City, Utah. Chairman Keith Stepan called the meeting to order at 9:00 am. He excused Mr. Manuel Torres from the meeting and welcomed Representative Pace.

**☐ APPROVAL OF MINUTES OF MARCH 20, 2002.....**

Chair Stepan sought a motion for the March 20, 2002 Building Board minutes.

**MOTION: Kay Calvert moved to approve the Utah State Building Board meeting minutes of March 20, 2002. The motion was seconded by Larry Jardine and passed unanimously.**

Mr. Jenkins introduced Camille Anthony as the new Executive Director of Administrative Services. Raylene Ireland is now serving as the Executive Director of Workforce Services.

**☐ ALLOCATION OF CAPITAL IMPROVEMENT FUNDS .....**

This year DFCM received approximately \$133 million in capital improvement requests. Through the work of DFCM staff working with staff from Higher Education and state agencies, the list was minimized to the \$49 million allocated by the Legislature in capital improvement funding this year. Mr. Beers referred the Board to the distributed list of FY2003 capital improvements indicating DFCM's recommendations. He sought those wishing to discuss projects not being recommended to come forward.

Kent Beers referenced the Human Services Slate Canyon water pipeline replacement, which DFCM recommended setting aside \$1 million with a note attached. The Forest Service has expressed concern about the one-third of the pipeline being exposed as it travels down Slate Canyon and feeds water to the State Hospital. The exposed area is on a cliff and vandalism occurs and the elements are a factor of damage. The Forest Service

has indicated they will not renew DFCM's permit to have the water line come down the canyon and through Forest Service property unless the exposed portion of the pipeline is corrected. DFCM and Human Services are entering into negotiations with Provo City to sale the water rights to Provo City perhaps in exchange for a reduced water rate in the future. If those negotiations do not prove fruitful, DFCM will have to use the recommended \$1 million to bury the exposed pipeline to correct that situation. If some funds remain then the other projects noted could be considered and DFCM recommended the balance of be used to go towards the projects. If it is found that the buried portion also requires replacing, DFCM may return next year to request additional funding. The Forest Service is willing to work with them as long as they are making a good faith effort to correct the problem.

**MOTION: Larry Jardine moved to accept the DFCM recommendation to approve the capital improvements as stated. The motion was seconded by Haze Hunter and passed unanimously.**

Joseph Jenkins stated a few years ago the Building Board allocated \$1.5 million each for the Old Main building and Braithwaite buildings at Southern Utah University to address seismic and ADA issues. DFCM has since determined they lack funding to complete both projects and have selected to complete the Braithwaite project first. Once Braithwaite is completed, DFCM will return to the Building Board to request funding for Old Main.

Kent Beers stated two projects need to be completed at the Braithwaite building including the seismic and architectural upgrade and the HVAC and electrical upgrades. DFCM asked the Board to reallocate the funding from the Old Main project toward the HVAC and electrical upgrade at the Braithwaite building.

**MOTION: Haze Hunter moved to approve the reallocation. The motion was seconded by Kay Calvert and passed unanimously.**

**☐ VALUE BASED SELECTION PROCESS .....**

Joseph Jenkins referred the Board to a handout outlining the recently updated draft Value Based Selection process. The Board was previously concerned with allowing potential candidates to know where their bids were so they could evaluate in comparison if they wanted to continue with the process before preparing a management plan. DFCM has since reviewed the process and determined that in those instances where any contractor comes in over the budget, they may have the opportunity to value engineer their proposal in their management plan. If they change scope or cannot value engineer their project down to the budget, they would be eliminated. If the situation arises where all contractors are above budget, DFCM would consider the alternatives of allocating more money to the

project, changing the scope to get the budgets down, or removing the requirement of all bids being under budget.

Kent Beers stated the management plan process was also clarified and DFCM is no longer required for projects under \$1.5 million in general. Other clarifications included the inclusion of value engineering proposal and the cost proposals. Kenneth Nye stated this revision also included some guidance on what should be included in the statement of qualifications.

A previous concern of the Board regarded past qualifications from individuals without experience with the State in the past five years. DFCM has since determined to have those individuals provide their past references and DFCM will use those.

DFCM has also demanded that if any firm has been debarred, suspended or removed from a job in the last five years, they must inform DFCM in writing. This does not necessarily eliminate them from the process if they can convince the selection committee it was an anomaly. Not informing DFCM of the situation would be grounds for dismissal. This item may be expanded to include key principles in the firm, as well as any projects currently under investigation.

**MOTION: Kay Calvert moved to approve the process developed by DFCM for the VBS selection process. The motion was seconded by Larry Jardine and passed unanimously.**

Joseph Jenkins stated a final education session on VBS was scheduled at the Marriott Hotel for anyone interested in doing business with the State. Anyone desiring education after this meeting will need to request the assistance of a Project Director during a specific project.

Kenneth Nye referred to the past discussion of the programming process and the ability of A/E's to perform the programming and later returning to pursue the design of a project. DFCM has now taken a position to not allow an architect to perform the programming and later returning to pursue the design under any circumstance. Architectural firms have supported this decision as it does not provide an advantage to those involved with the programming. This also allows DFCM a better amount of oversight on the project.

At a future meeting, DFCM will update the Board's rule regarding programming and present it to the Board for formal action. DFCM anticipates adopting this prospectively and it will pertain to projects from this point forward. Mr. Nye noted some smaller projects may require a single selection for a firm to perform the programming and design under one contract.

**☐ ELECTION OF VICE-CHAIR.....**

Chair Stepan referenced the Board's policy which stated the Vice-Chair should be elected by the Board. He opened nominations for Vice-Chair of the Utah State Building Board.

**MOTION: Kerry Casaday moved to nominate Kay Calvert for Vice-Chair. The nomination was seconded by Lynne Ward.**

**MOTION: Haze Hunter moved to close nominations. The motion was seconded by Kerry Casaday and passed unanimously.**

Ms. Calvert currently serves as the Secretary/Treasurer to the Building Ownership Authority. At the next meeting of the Authority, the Vice-Chair and Secretary/Treasurer position would need to be elected. The Vice-Chair does not have to be the same for both Boards.

**MOTION: Haze Hunter moved to elect Kay Calvert as the Vice-Chair by acclimation. The motion was seconded by Larry Jardine and passed unanimously.**

**☐ ADOPTION OF RULE R23-12, BUILDING CODE APPEALS PROCESS.....**

Kenneth Nye stated the statute governing the administration of the building codes requires each entity to have the authority to enforce the building code with its own appeals process. DFCM has never formally set up an appeals process and therefore developed this rule. An updated version of the administrative rule was distributed noting the changes shaded in gray. The proposed rule provides a process to govern the appeals process for projects administered by DFCM, as well as projects delegated by the Building Board to other entities to administer. When a delegated agency acts as the Building Official or enforces the building code, an initial appeal of their decisions would come to the DFCM Building Official.

From that point, any appeal of his decisions, whether a review of a delegated agency's opinion or that of his own actions, would then be presented to this Appeals Board. This will provide some continuity in resolving code issues on all state projects, including both delegated and non-delegated projects.

Any appeal made on a delegated project or an appeal of a decision made by a contracted inspector would first be presented to the State Building Official for review. If he could not resolve the issue to the satisfaction of the appealing party, the next recourse would be to file a formal appeal with the Division. Kenneth Nye will coordinate the Appeals Board in order to separate it from the Building Official. This will allow both sides the opportunity to present their positions and the Board to make the final decision.

After receiving approval from the Building Board to develop the Appeals Board, DFCM will select members to serve on the Board. At least two members from each discipline would be chosen in order to avoid the risk of having the same parties requesting the appeal. From the pool of individuals, three to five would be chosen for each appeal. Since DFCM did not anticipate more than a few appeals per year, they did not develop a formal time limit for individuals serving on the Board. DFCM anticipated individuals could serve as long as they were willing and dealing with issues appropriately.

Chair Stepan suggested DFCM develop their pool by looking for those who fully understand and have been involved with codes. He did not want DFCM to assume that every A/E understood the full aspect of codes.

**MOTION: Kerry Casaday moved to approve RuleR23-12. The motion was seconded by Haze Hunter and passed unanimously.**

**❑ BUILDING BOARD MEETINGS AND TOURS.....**

Previously the Board discussed how to structure the tours and the meetings while minimizing the time required of the Board. Therefore, DFCM proposed to hold meetings at various locations through September and incorporate tours with locations in the general area. The tours would provide an opportunity to discuss several projects prior to the October hearings and may be able to eliminate one day of the hearings.

DFCM proposed meeting in June at the new Olympic housing at the University of Utah, which the Board had expressed the desire to do. Following the meeting and for the remainder of the day, the Board could tour the Marriot Library, the School of Medicine, the Cowles building, and the engineering building. The University has agreed to provide a bus to tour the University.

In July, DFCM proposed having the meeting either at the State Library or at the new Board of Regents office, depending on availability. The tours could focus on the Archives relocation issues.

In August, DFCM proposed having the meeting at the Salt Lake Community College Campuses in order to tour some facilities on the southwestern part of the valley.

In September, DFCM proposed moving the Board meeting to September 12 and 13 in order to coincide with a joint meeting with a Board of Regents. On September 12, the Board would tour areas more remote from the Salt Lake area, and the destinations would be based on the transportation issues available at the time. If the National Guard assisted, Southern Utah University and Snow College may be included. The tours would include the

Merrill library at Utah State University and an overnight stay in Logan. On September 13, DFCM proposed having a joint meeting at Utah State University with the Board of Regents, as well as a regular Board meeting.

**❑ ADMINISTRATIVE REPORTS OF UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY .....**

John Huish of the University of Utah reported two new A/E agreements awarded, including one for the design work for the renovation for a historic building at Fort Douglas for the campus outdoor recreation. Another agreement was also awarded to AJC Architects for the master planning study in reference to the possible advent of the new engineering building on campus. This study will include site study, feasibilities, and the logistics of placing a new engineering building on the site.

Two construction contracts were awarded for the period including one to JL Hardy for the balance of the renovation work done in the existing Merrill Engineering building which money was appropriated last year to begin some renovation in the existing building. The second contract was awarded to Skyline Electric life safety projects in the James Fletcher Physics Building.

The report for the University also included the quarterly report on the statewide account for life safety, roof repair, paving, ADA and indicated the current encumbrances in those account.

**MOTION: Larry Jardine moved to accept the administrative report of the University of Utah. The motion was seconded by Kay Calvert and passed unanimously.**

Brent Windley, Utah State University, noted there was one new professional contract for the First Dam repairs. One new construction contract was also awarded for pre-manufactured metal shelters covering silage bins for the Caine Dairy improvements. Any remaining money is to be used for a sand filtering system for fluid coming from the farm.

The contingency reserve fund decreased due to the Information Services building/renovation. This should be completed within the next month.

Three projects on the current delegated project list had been completed including the Ray B. West electrical renovation, the Western Medical Center remodel, and the Veterinary Diagnostics lab chiller replacement.

**MOTION: Haze Hunter moved to accept the administrative report of Utah State University. The motion was seconded by Kay Calvert and passed unanimously.**

Joseph Jenkins stated last year the Legislature appropriated \$800,000 for the planning and programming of the Utah State University Merrill library. Agencies have the right to pay for design with their own funds and those funds can then be repaid through the construction project. Utah State wished to have the design completed prior to the Legislature meeting in January in order to proceed with programming. Therefore, DFCM desires for Utah State to proceed with the design/build process, but only completing the design phase. This would allow Utah State University and University of Utah's libraries to be on the same footing although they would be reviewed by the Legislature independently. DFCM desired the Board's approval to proceed.

Kenneth Nye added the Legislature authorized the project to proceed with programming and design, but did not provide enough state funding to fully fund the design costs. DFCM and Utah State have discussed and agreed with Utah State providing additional funding to cover the balance of the design costs. Joseph Jenkins stated it was made abundantly clear that it is based on appropriation by the Legislature and if the appropriation is not there, then the contract expires.

Kevin Walthers noted the money would not be automatically reimbursed, but felt there was specific intent language addressing the issue. He did not want agencies to be under the impression they were guaranteed reimbursement. Utah State has indicated their desire to proceed even if they are not reimbursed.

**MOTION: Larry Jardine moved to accept the design/build approach with the no future commitment for funding unless funded by the Legislature. The motion was seconded by Kerry Casaday and passed unanimously.**

**☐ DELEGATION OF USU CAMPUS HOUSING FIRE AND LIFE SAFETY IMPROVEMENTS.....**

Darrell Hart explained the \$2.5 million project consisted of primarily life safety issues, including sprinkler systems and fire alarms, as well as a portion for lighting and for electronic locks. Staff is currently on hand to handle this type of project, and DFCM felt comfortable the project could be delegated.

**MOTION: Lynne Ward moved to approve the delegation of the USU campus housing fire and life safety improvements. The motion was seconded by Kay Calvert and passed unanimously.**



**❑ REPORT ON FACILITY MAINTENANCE AUDITS.....**

Kent Beers stated DFCM is responsible for managing and maintaining all state owned facilities. Under the provisions of House Bill 3 passed in 1997, DFCM may delegate this duty to state agencies. House Bill 3 also charges DFCM with conducting audits to ensure agencies comply with state facility maintenance standards. Mr. Beers wished to provide the Building Board with information pertaining to the last round of audits conducted by DFCM to identify each agency's compliance with maintaining the state standards.

House Bill 3 states all state owned facilities, including institutions of Higher Education shall comply with the state facility maintenance standards. The director of DFCM may delegate responsibility when it is determined the department or agency has requested the responsibility, or that the department or agency has the necessary resources and skills to comply with facility standards and the delegation would result in a net cost savings to the state.

The Utah State Building Board adopted the facility maintenance standards in 1997 and delegated administration of maintenance standards in all state owned facilities to DFCM. DFCM's responsibility is to prescribe a standard format for reporting compliance with facility maintenance standards, report agency and institution compliance or non-compliance with the standards to the Legislature and Building Board, and to conduct periodic audits of exempt agencies and institutions to ensure they are also complying with the standards.

Facility preventative maintenance audits examine the specific preventative and corrective maintenance work being performed on building systems and equipment. A minimum score of 90% is required to be considered in compliance to the standards.

Jeff Reddoor stated there has been a list of adopted standards that apply statewide for all institutions and agencies. The Preventative Maintenance standards review the operation of the maintenance, as well as the conditions of facilities the preventative maintenance is affecting and life safety issues.

All state agencies and institutions of Higher Education have had at least two audits performed and completed over the last four years. Over 64 million square feet of space has been audited, which indicates that some facilities have been done twice. Each agency is cycled between every 12-18 months depending on the audits themselves and is also being cycled with the condition assessments.

Mr. Beers reviewed the breakdown of Higher Education outlining the standard of 90%. Some agencies in Higher Education have not yet obtained the 90% standard. Jeff Reddoor

commented the lower score for Southern Utah University was basically due to when the initial audit was done.

DFCM has developed the Computerized Maintenance Management System (CMMS) to provide agencies with current and accurate information of inventories and Preventative Maintenance processes currently in place. Agencies or institutions below the acceptable 90% will be re-audited approximately 12 months later in order to make corrections.

Mr. Beers also illustrated the most recent scores achieved by state agencies with only Corrections and DFCM currently above the 90% level. Alcoholic Beverage Control facilities were recently taken over for the management by DFCM. UDOT did not achieve as well as they did in the first round. The Fairpark only had one audit because they came in late in the cycle and Olympic issues affected the second round making them due again in late spring.

Kent Beers referred to individual facilities who were not achieving at least 80% which is the cutoff where they were given great promise to increase. Below 80%, DFCM felt the facility was being deteriorated and was not being properly maintained nor did they have an effective Preventative Maintenance program.

Kenneth Nye stated Higher Education and the Capitol Preservation Board are exempt by statute and are not formally delegated; however they still must comply with the standards.

The facilities for delegated agencies that are scoring below 80% included Human Services (Ogden/Monroe Youth Corrections currently at 77%). The National Guard has the Beaver Armory, Camp Williams Building 517, Lehi Armory, Ogden Armory and the Tooele Armory all scoring below 80%. Some of this is due to the agencies not having the development of the CMMS and established preventative maintenance systems at the facility. The National Guard receives some funding for the preventative maintenance which was recently cut. Lynne Ward stated the Federal government will participate in building the buildings, but requires the state to pay for the maintenance once it is built. Kent Beers added that \$1.6 million was appropriated to the National Guard for improvements at the Tooele, Ogden and Beaver facilities to upgrade their restrooms and to do modifications and repairs.

The point of the audits is to determine if existing facilities are being addressed before deterioration. DFCM is attempting to have facilities maintained before they become so dilapidated that improvement dollars are needed for a complete upgrade.

The Department of Natural Resources had Fort Buenaventura less than 80% as well as Iron Mission, Jordan River, Willard Bay, Logan Fish Experimental station, Midway Hatchery

and the White Rocks Hatchery. These are all facilities requiring extra effort which Natural Resources has been willing to work with DFCM to implement a program.

Department of Transportation has 42 maintenance buildings and rest areas that have scored below 80%. A percentage of the facilities were audited and the 42 were among that percentage.

The goals of the audit program include developing a statewide web based Computerized Maintenance Management System (CMMS) and have it installed at all state agencies. This would be a program installed and centralized at DFCM and would be at all institutions of Higher Education and all state agencies. DFCM would be able to effectively monitor how often they are doing their routine maintenance. On a regular basis it would red flag every piece of equipment as soon as it was time for maintenance to be done. As a new piece of equipment would be installed, the specifications from the owner manual indicating when the maintenance should be done would be entered into the CMMS and DFCM, the agencies, and institutions would be able to monitor all of their own facilities and equipment. DFCM would then also have that database connected with each agency and institution. If this is implemented, DFCM will be the leader in the nation in maintaining our state owned facilities. DFCM already uses it for the facilities they currently manage and are in the process of going out to the institutions and agencies to have it incorporated. The first agency to be brought online is Dixie College. Jeff Reddoor stated this will help the agencies establish a standard for the agencies to be able to produce their own preventative maintenance work orders and make sure that the work is getting done. It will also put the responsibility to the agencies to have the resources available to them to establish and address this system. The system will show at what point they did or did not take care of a particular piece of equipment.

Representative Pace asked if she would be justified as part of the Legislature in having some reservations about giving new buildings to agencies or institutions not taking care of what they have. Joseph Jenkins stated DFCM is completing this is for those agencies who are not maintaining their buildings correctly, then DFCM will come back to the Building Board and ask they withdraw their delegation.

Norm Tarbox stated there was probably more than a single explanation as to why some facilities are not being maintained. In other situations it is not for lack of will, but for lack of resources and budgets. Capital improvements is in terrific shape right now, but the O&M budgets, particularly those of the institutions and some agencies, has suffered for two decades from a lack of willingness on part of the Legislature to fund inflation on some real critical parts. Chair Stepan agreed and stated one of the benefits is that the Board could take a focus and address the reality.

Larry Jardine asked if those 90% and above were costing more. Kent Beers stated, in general, the institutions of Higher Education are able to break out the amount of money being spent for O&M. State agencies do not list that as a line item. There has been difficulty identifying in a particular agency exactly how much money is being spent on O&M. The institutions of Higher Education could produce a report showing how much each institution is spending for operations and maintenance. One of the reasons why the institutions and agencies do not achieve the 90% level is because of a lack of funding.

Kevin Walthers stated three years ago a deferred maintenance report was completed and recommended agencies start tracking their O&M expenditures causing a revolt among the agencies. Lynne Ward stated it is a major cost accounting exercise which is some of the difficulty. Breaking down multiple accounts to several different funding sources raises the question of it being a good time consumer for an accountant and it being a good cost benefit. Chair Stepan felt that it is something that ought to be continued to be watched.

If agencies or institutions are found in non-compliance, the Division Director can retract delegation without waiting for a legislative session. Joseph Jenkins stated DFCM has analyzed a couple of institutions to retrieve delegation, but the problem comes in getting the O&M dollars back in order for DFCM to take care of it. Lynne Ward stated the Building Board could make a recommendation to the Governor and Legislature to allow the budgets transfer.

Kent Beers explained the objectives of the program and noted that by 2005 DFCM is hoping to have the CMMS at all of the state agencies and institutions of Higher Education. The particular program DFCM uses is called FME, which is optional for the agencies and institutions, or they are allowed an equivalent CMMS. DFCM would like to report the results of the audits on an annual basis. At some time, the Board may elect to withdraw the delegation from a certain agency or institution if they continue to score below 80% on a number of their facilities, or are unwilling to implement a CMMS. DFCM currently pays for the software and institutions would not have to purchase the software if they desired to join with DFCM.

Greg Stauffer, SUU, shared Mr. Hunter's question and concern about why SUU scored so low. Jeff Reddoor stated it was a culmination of things and there are 18 elements to the audit that are reviewed and the CMMS is only one of the elements. Some items visited the first time were not addressed the second time and therefore the score could not increase.

☐ **ADMINISTRATIVE REPORTS FOR DFCM .....**

Chair Stepan sought comments on the administrative reports. None were expressed.

**☐ UPCOMING VALUE BASED PROCUREMENT SELECTIONS.....**

Chair Stepan volunteered to serve on the Snow College Performing Arts Center selection panel.

The Board excused themselves from selecting for the Snow College Tunnel extension and library chiller replacement.

The Southern Utah University Braithwaite and Old Main building seismic upgrades will be done by Kerry Casaday.

The Utah State University Edith Bowen School will be done by Larry Jardine.

The UVSC Wasatch Campus Design Building – Stage 1 will be covered by Kay Calvert. Alternative construction methods will be included in this process as well as 100% xeriscape landscaping.

Kenneth Nye stated SUU has decided not to finish up the design of the Shakespeare Festival Centre Development so they stopped working with the architect. The RFP included is to select a developer to work with the University as a partner and that is still going forward.

Norm Tarbox is leaving the Board of Regents to become the Vice President of Business at Weber State University. Mr. Tarbox introduced Mark Spencer as the new Associate Commissioner for Finance and Facilities. He will fill the role as liaison for the Building Board in the future. Chair Stepan welcomed Mr. Spencer and wished Mr. Tarbox well.

**☐ CLOSED DISCUSSION OF LITIGATION ISSUES .....**

**MOTION: Lynne Ward moved to go into Executive Session to discuss litigation. The motion was seconded by Kay Calvert and passed unanimously.**

The closed session was an informational item and did not require any action of the Board.

**☐ ADJOURNMENT .....**

**MOTION: Larry Jardine moved to adjourn at 11:49am. The motion was seconded by Kerry Casaday and passed unanimously.**

*Minutes prepared by: Shannon Lofgreen*